



City of Virginia Beach

WILLIAM D. SESSOMS, JR.
MAYOR

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January 4, 2012

Members of City Council

Subject: Headquarters Hotel

Dear Councilmembers:

In my letter addressed to City Council in December, I called for time to allow citizens of Virginia Beach to study a proposal to build a headquarters hotel in Virginia Beach.

Over the past month, it was essential that the City Council establish this open-door process to properly educate the public regarding this large public investment, while also receiving our fellow citizens' thoughts and concerns. It also allowed you, as Council members, to evaluate and better understand the project.

We continue to negotiate with Armada Hoffer and have not yet solidified a final term sheet. Without that solid foundation, further public discussion would not be productive since the agreement continues to evolve.

Therefore, I recommend the public hearing scheduled for Tuesday, Jan. 10, 2012, and a subsequent vote scheduled for Tuesday, Jan. 24, 2012, be removed from the City Council's agendas and deferred indefinitely. This will allow us to continue to pursue the right deal to bring a headquarters hotel to Virginia Beach.

I reiterate my support to bring a headquarters hotel to the city and emphasize that we must invest in tourism and stay competitive with other similar markets to continue to diversify our tax base and help take the funding burden off the backs of taxpayers.

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The door to a headquarters hotel needs to be kept open, but we must work toward a proposal that provides a win-win for our economy, Virginia Beach and the citizens of this great community. As always, it is an honor to serve as your Mayor.

Sincerely, .

A handwritten signature in black ink, appearing to read 'W D Sessoms, Jr.', with a stylized, cursive script.

William D. Sessoms, Jr.
Mayor

JKS/MGH/pmo

cc: James K. Spore, City Manager